

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE CONTINENTAL INN	)	
	)	
COMPLAINANT	)	
	)	
v.	)	CASE NO. 2004-00458
	)	
KENTUCKY UTILITIES COMPANY	)	
	)	
DEFENDANT	)	

ORDER TO SATISFY OR ANSWER

Kentucky Utilities Company ("KU") is hereby notified that it has been named as defendant in a formal complaint filed on November 24, 2004, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, KU is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 6<sup>th</sup> day of December, 2004.

By the Commission

ATTEST:

  
Executive Director

JS

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**RECEIVED**

NOV 24 2004

PUBLIC SERVICE  
COMMISSION

2004-00458

COMPLAINT

The complaint of The Continental Inn respectfully shows:

(a) The Complainant is the Continental Inn located at 801 E. New Circle Road, Lexington, KY 40505.

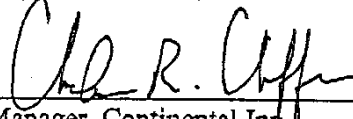
(b) The Defendant utility is Kentucky Utilities located at One Quality Street, Lexington, KY 40507.

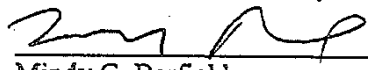
(c) The Continental Inn has operated in Lexington for many years, and until recently, Kentucky Utilities has never required a deposit. While there have recently been some late monthly payments, the Continental Inn is current on its payments to Kentucky Utilities. Nevertheless, and without advance notice, Kentucky Utilities has demanded the payment of a \$17,000 lump sum payment as a security deposit to be paid immediately, or they will shut off electricity to the hotel.

The Continental Inn cannot make the required payment during the short time period allowed. It could, however, pay the security deposit over time and has offered to do as much. Kentucky Utilities has refused the Continental Inn's request to enter into a payment plan for the deposit, even though its applicable filed tariffs would permit Kentucky Utilities to enter into such a payment plan. Cutting off the electricity to a business establishment such as a hotel during the winter months of November-December under these circumstances -- i.e, it is current on its payment obligations and is willing to enter into an agreement to pay the security deposit over time -- will cause substantial damages to the Continental Inn. These actions are unreasonable and in violation of 807 KAR 5:006 Section 7(7) and the provisions of KY's Tariff on "Deposits", Original Sheet No. 87, P.S.C. No. 13.

Wherefore, complainant asks that the Commission conduct an investigation of Kentucky Utilities practices concerning the deposit requirements and/or mandate that Kentucky Utilities enter into a payment plan with the Continental Inn for the payment of the \$17,000 deposit.

Dated at Lexington, Kentucky, this 23<sup>rd</sup> day of November, 2004.

  
\_\_\_\_\_  
Manager, Continental Inn

  
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Mindy G. Barfield  
Dinsmore & Shohl, LLP  
Lexington Financial Center  
250 W. Main Street, Suite 1400  
Lexington, KY 40507

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